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July 21, 2006

The Honorable Ruth J. Blessing
Mayor of Dennis Township
571 Petersburg Road
Dennisville, NJ 08214

Re: Dennis Township Petition for Initial Plan Endorsement – Consistency Review

Dear Mayor Blessing:

The Office of Smart Growth (OSG) and our state agency partners have substantively reviewed the petition submitted by Dennis Township for Initial Plan Endorsement and would like to commend the Township for its active participation and dedication to the plan endorsement process. Based on the review of Dennis Township's petition for Initial Plan Endorsement, the Office of Smart Growth (OSG) and our state agency partners have identified areas of concern that need to be addressed before OSG can make a recommendation to the State Planning Commission finding the petition consistent with the State Development and Redevelopment Plan (State Plan). These items are summarized below.

Upon endorsement, the State Plan Policy Map will be changed to reflect new or modified Centers and/or Planning Areas. For CAFRA center designation, the Township should refer to the document entitled "Requirements for CAFRA Consistency" to be aware of what is required by the Department of Environmental Protection (DEP) which is available on the Plan Endorsement page of the OSG website at: <http://www.nj.gov/dca/osg/plan/endorsement.shtml>.

OSG and our state agency partners are committed to working directly with the Township to make all necessary changes to the planning documents and proposed Planning and Implementation Agreement (PIA) to ensure that your plan is consistent with the goals, policies and strategies of the State Plan. We look forward to meeting with you to discuss in detail the consistency concerns outlined within this letter.

Consistency Issues

A. State Plan Policy Map – Centers

1. Proposed Centers – Boundaries

The state agencies have not yet come to an agreement with the Township on the boundaries of the proposed centers. Generally, the Township needs to provide more information regarding its vision and objectives for these centers in terms of land use, transportation and infrastructure capacity, and affordable housing. Since the proposed centers include significant amounts of undeveloped land where there are environmental concerns, detailed justification for the inclusion of these areas in centers is crucial. These boundaries must also be considered in relation to the State Plan criteria for Centers (see Section A2).



Prior to OSG recommendation for endorsement, an updated land use element is required addressing the issues described throughout this document.

Eldora

OSG recognizes that this proposed center extends from the Pinelands Village to the north and covers a key intersection that could serve as a focal point for development. However, Eldora also has significant wetlands and lies in the drainage to Category 1 (C1) streams, limiting development potential. Due to the center's currently undeveloped nature, environmental issues and remote location, the proposed boundary needs further discussion as to the Township's objectives and needs.

Dennisville

Most of the undeveloped lands included in the proposed center are mapped within a Natural Heritage Priority Site and are considered habitat for State and Federally listed Endangered or Threatened Species. The western portions of the center lie in a C1 watershed. These constraints will need to be reconciled with the Township's interest in expanding its municipal facilities and the Village Residential district. In addition, the southern boundaries should be refined to account for the existence of wetlands.

South Dennis

The area north of Dennisville Road and east of Route 83 includes a Natural Heritage Priority Site and habitat for State and Federally listed Endangered or Threatened Species. Another key issue is transportation, since Route 83 currently serves as a free-flowing connector road between Routes 9 and 47. There is concern of extending the center and traffic-generating development too far east along Route 83. New development and access will hinder the movement capacity of this road, but the state agencies will consider design measures (e.g. an internal road network off Route 83) to mitigate traffic impacts.

The Township has mentioned the possible future expansions of the elementary school and recreation facilities. These ideas need to be discussed in greater detail in light of the above environmental and transportation issues.

Separately, there is general consensus among state agencies and the Township that the center could be expanded to include previously subdivided lands south and east of the current proposed center boundary, provided that Natural Heritage Priority Sites, habitat for State and Federally listed Endangered or Threatened Species, and wetlands are largely avoided.

South Seaville

The entire center lies in the watershed of C1 designated streams, and much of the undeveloped lands lie within a Natural Heritage Priority Site and habitat for State and Federally listed Endangered or Threatened Species. The Township should address these concerns by providing more information about its plans for the center. However, the petition discusses the center in general terms, mentioning possibilities of expanding mixed uses and the HC and VR zoning districts.

Ocean View

The included lands along Route 9 seem appropriate for inclusion in the center. The Township has expressed interest in exploring internal roads to alleviate traffic on Route 9, though there are concerns about impacts on existing businesses along the road. The state agencies are available to work with the Township to develop this concept further.

In response to state agency concerns, the Township has made minor changes, but further discussion is needed to resolve the boundary issues. The entire center lies in the watershed of C1 designated streams. Greater justification is needed for the center as it currently includes large portions of a golf course, campgrounds and some undeveloped land. The golf course property is located in the General Commercial district, for which the Township envisions related uses such as a clubhouse and hotel. The GC zone has various other permitted uses, including residential and commercial. The state agencies need more information about the development planned for these areas.

Clermont

The entire center lies in the watershed of C1 designated streams. Large portions of the western side of the center lie in a Natural Heritage Priority Site and also contain extensive wetlands and habitat. As with the Ocean View center, the state agencies need more information concerning the inclusion of the campground area, particularly if this area is slated for redevelopment.

So far in response, the Township has mentioned interest in mixed commercial and residential uses in the GC district as well as improvements for pedestrian and traffic circulation. However, more information about the type and scale of development will be required in light of the above issues to justify the boundary.

2. *Proposed Centers – State Plan Center Criteria*

For the proposed Village centers, the Township's population and housing densities fall significantly short of the State Plan criteria (see also Section D). Even though these criteria are to be applied flexibly according to the regional context, the petition does not provide justification as to why the Villages should be designated in spite of the inconsistencies. The justification should also explain the inclusion of the R3 district in various centers, which permits 1 dwelling unit per 3 acres, a relatively low figure compared to the criteria.

The petition notes in general terms various ideas for development, including mixed uses, which indicate future zoning amendments. Similar to the above discussion of the proposed centers, the state agencies would like to know more about the development envisioned by the Township. The criteria evaluation should estimate both present and future data for population, housing, employment and other categories.

B. State Plan Policy Map – Planning Areas

In response to the 2004 Preliminary State Plan, the petition proposes two planning area changes. The Township would like to retain the Fringe Planning Area (PA3) in the proposed Clermont center; the Preliminary Plan proposed a change from PA3 to an Environmentally Sensitive Planning Area (PA5). The petition also proposes a new change to revise the Rural Planning Area (PA4) within the proposed Ocean View center to be changed to PA3. Since these proposals are directly linked to issues described above for the proposed center boundaries, the Township and state agencies will discuss any planning area changes in conjunction with the centers.

C. Center Design

PIA Items 2 through 5 refer to the Smart Future program for financial support of design activities. OSG would like to note that much of this proposed design work should have been addressed through the existing Smart Future grant. Currently, OSG and the grantee are working to revise the scope. While this will not preclude OSG funding of design activities in the future, the Township should have more developed concepts of the land use patterns and scale of growth it envisions than what is provided in the petition.

D. Developable Land, Projected Growth and Affordable Housing

The petition will need to reconcile the relatively limited amount of developable residential land with the Township's growth projections and affordable housing obligations. The petition (p.12) states that there are 86.2 acres of residentially zoned land available for development within the proposed centers, yielding 25 lots based on the current zoning. In comparison, the Township has a Council on Affordable Housing (COAH) prior round (1987-1999) obligation of 229 new construction units and a rehabilitation share of five. The petition must explain how the Township will accommodate its affordable housing obligations.

Projections will also have to be coordinated with the above concerns. The South Jersey Transportation Planning Organization (SJTPO) projects a population increase of 1,251 of 6,807 in year 2005 to 8,058 in 2025. For the COAH third round period, SJTPO projects growth of 216 households and 200 jobs by

2015. This translates into an obligation of 32-35 units, depending on whether the Township has affordable housing plans on the horizon; the actual growth share obligation is based on the growth that occurs in the Township.

Furthermore, the petition contains preliminary analysis projecting even more growth. Based on the average of 41.6 building permits per year during the 1990s, the petition projects an increase of 3,027 residents between 2000 and 2025 (Existing Conditions Inventory, p.8). However, the petition does note potential limitations in the availability of land and infrastructure capacity.

In order for OSG to recommend this petition for endorsement, the Township must reconcile the above issues in conjunction with center boundaries. A draft Housing Element and Fair Share Plan is required to demonstrate resolution of these issues.

E. Transit

The Township has expressed a desire to expand the Cape May Seashore Line seasonal excursion rail service north from its current terminus in Cape May Court House to Tuckahoe and, eventually, further north to possibly connect to the Atlantic City Rail Line (pp. 28-30). NJ TRANSIT is working with the communities along the line as well as the private rail service operator to determine feasibility, phasing and funding opportunities and constraints.

To support NJ TRANSIT's efforts, the Township should plan for land uses and pedestrian linkages that will enhance the viability of transit service, whether it is from a recreational/tourist or commuter perspective. These considerations will have to be balanced with other infrastructure, particularly water and sewer service. As transit requires denser development to make the service viable and as limits in water and sewer put downward pressure on potential densities, the petition needs to determine the appropriate level of development.

F. Water Supply

The Department of Environmental Protection (DEP) and the U.S. Geological Survey are currently conducting an intensive study of the Cohansey Aquifer water resources in southern Cape May County. This study will determine the present and future water supply needs while minimizing adverse ground water or ecological impacts on the area. The extent to which additional groundwater can be pumped is a primary focus of the study. Now entering its final phase, the study has developed preliminary water supply scenarios with respect to projected water demand, hydrology, ecology, regulatory policy; assessed preliminary water-supply scenarios for impacts on saltwater intrusion, streamflow depletion, and ecosystem impacts; and determined ecological sensitivities to hydrologic changes implicit with the best scenario(s). A cost effectiveness/feasibility analysis will determine the best scenario. The Township should continue to participate in this process as a stakeholder so that it can ensure adequate water for current and anticipated growth. Consideration of water supply capacity should carry on into the PIA (see PIA comments below).

G. Natural Resource Inventory (NRI)

The Township's NRI includes an abbreviated evaluation of natural resources in the Existing Conditions Inventory, Section 1.3, and refers to the 1994 Master Plan. A more detailed, stand-alone inventory is needed so that it can serve as a tool for planning boards and environmental commissions and provide the foundation for the development of resource protection ordinances and resource-based land use planning. The NRI should be adopted by the Township planning board as part of the master plan. Most of the necessary data is available on-line on the DEP's website. The Township should also consult the Association of New Jersey Environmental Commissions' (ANJEC) website which provides guidance on preparing a comprehensive NRI (<http://www.anjec.org/pdfs/EnvironmentalResource04.pdf>) and the OSG's website which provides sample NRIs (<http://www.nj.gov/dca/osg/plan/endorsement.shtml>).

H. Environmental Protection Ordinance

As part of the discussion of center boundaries, the state agencies and the Township agreed to pursue the idea of an environmental protection ordinance to address small and/or irregularly shaped environmentally sensitive sites within the centers. This ordinance is to help maintain the contiguity and form of centers while protecting the natural resources within the centers. The Township has submitted a draft ordinance. While this ordinance provides for the inspection of environmentally sensitive sites, it does not adequately address how such resources would be protected. The Township should work with OSG and DEP to ensure that the ordinance contains the necessary mechanisms for implementation.

I. Emergency Planning

Due to the Township's location in the coastal zone, it is important that the proper emergency planning has been done to protect residents from flooding and other large-scale disasters. In order to support future development in the Township, the Township must provide formal documentation that the Township has an Emergency Operating Plan that has been approved by the New Jersey State Police.

DEP CAFRA Requirements

Following endorsement by the State Planning Commission, DEP must be able to make a finding that the designated centers are consistent with the purposes of the Coastal Area Facility Review Act, (CAFRA) N.J.S.A. 13:19-1 et seq., and the Coastal Zone Management Rules. To achieve this objective, DEP has outlined the following additional requirements, which can be addressed prior to endorsement or as early items in the PIA:

- The Township shall prepare a Coastal Consistency Statement that addresses natural resource protection and coastal management demonstrating consistency of local plans and ordinances with the goals of the Coastal Zone Management Program.
- The Cape May County Wastewater Management Plan will expire in the near future. The Township should work with Cape May County to revise the Dennis Township portion of the Plan and ensure environmental assessments and criteria required under DEP's Water Quality Management Planning process are completed and achieved.
- The zoning ordinance revisions and/or new ordinances must implement the policies and recommendations of the master plan, and accurately reflect center boundaries and/or planning area changes (if applicable), and ordinances that implement appropriate environs protection measures, including zoning, resource protection, and site plan and subdivision ordinance revisions.
- The Township must provide documentation that water supply capacity exists for the amount of growth detailed in the Master Plan, including existing and proposed water supply sources. The Township should identify the available approved allocations and firm capacity. In addition, the Township must identify local water conservation measures.

Planning and Implementation Agreement (PIA)

As you consider updates to your petition in accordance with the items identified above, I would also like to propose additional items to be included in your draft PIA. Please let us know if any of these tasks should not be included in the PIA and indicate the reasons for not including them. Please also provide a specific timetable for each task.

General

- Create or fully update relevant master plan elements: Circulation, Community Facilities, Utility Service, and Conservation. These elements shall be consistent with the Land Use Plan Element.
- Submit drafts of all new and revised planning documents required by the PIA.
- Coordinate with planning efforts of adjoining municipalities, the County, State and regional planning efforts particularly concerning: regional planning, transportation, economic

development, tourism, natural resource protection, open space and recreation, and opportunities for shared services.

- Following upon the adoption of a new Master Plan, the Township should adopt ordinances that support the vision statement of the petition to balance development and preservation, concentrate development in appropriate areas, and preserve the character of the Township. Updating municipal ordinances will provide the framework necessary to enable a land use pattern that supports the preservation of open space, transit usage and compact, mixed-use development that reduces reliance on the automobile.
- DEP will provide the requisite notice concerning designated center and revised planning area boundaries in the NJ Register
- The Township shall submit a biennial report to OSG and the public concerning the terms of this PIA and related efforts pursuant to NJAC 5:85-7.12(c). The first review may be scheduled for one year after endorsement if there are significant PIA items that must be adopted within that timeframe. The report shall describe how the municipality has achieved its PIA commitments and further addressed consistency with the State Plan.

Land Use and Zoning

- Amend land use regulations for centers or sections of centers to accommodate compact, mixed-use development.

Transportation and Circulation

- Expand Circulation Element to encompass all transportation modes, including bicycle/pedestrian linkages and transit, as well as how the various modes can work together with land uses. The Circulation Element should articulate how the Township can make the best use of existing transit facilities. The Element should also consider goods movement and the Cape May County Airport impacts.
- The petition report states that the Township will review and modify its zoning ordinance to be consistent with the State Highway Access Management Code (p.27). If this task is not completed prior to endorsement, it should be included in the PIA.
- PIA Item 13R should be revised to note NJ TRANSIT as a potential rather than definite funding source. NJ Transit's competitive program for community shuttles (vehicle and partial operating support) serving rail stations is uncertain on a year-to-year basis. SJTPO should be added to the agency assistance column.
- For PIA Items that require NJDOT assistance, there shall be an asterisk denoting the following: "When requested, NJDOT will give priority consideration to providing technical assistance consistent with program requirements and subject to the availability of state resources."

Housing

- PIA Item 18 should note that the Housing Element & Fair Share Plan shall be consistent with the agreements reached in Plan Endorsement.

Infrastructure

- Ensure water supply capacity. In addition to the current water supply study for Cape May County, the Township should be involved as a stakeholder in a second investigation that will commence soon. The Southeastern New Jersey Alternative Water Supply Feasibility Study will focus on the remaining areas of the county, and the Great Egg Harbor River, Mullica River, and Southern Barnegat Bay watersheds. It will be evaluated similar to the approach employed in the current study and will be completed in about three years.

Environmental

- Develop stream corridor protection plan and ordinances for waterways in the Township.
- Develop a wellhead protection plan to identify public water supply wells.
- Amend and adopt local ordinances to protect public water supply wells.

- Consider a variety of land use regulations to ensure the protection of open space and valuable natural resources including habitat of endangered and threatened species within the Township.

Per the standard PIA items listed in DEP's CAFRA Consistency Requirements, the petitioner should also consider including the following in its PIA:

- Develop a Habitat Conservation Plan specifying conservation requirements and implementation measures to protect habitat of Federal and State listed threatened and endangered species. Conservation Plan requirements may include a mix of options that include the creation, enhancement, restoration, acquisition or preservation of habitat and/or monetary contributions for these purposes.
- Develop a Water Conservation Plan that shall:
 - reduce water consumption levels
 - reduce the loss and waste of water
 - improve efficiency in the use of water
 - increase recycling and reuse in the water supply
 - extend the life of current water supplies by reducing the rate of growth in demand
- Develop a Septic Management Plan establishing the strategies and implementation measures necessary to ensure that septic systems are properly maintained and that new systems are located, designed, installed and maintained in accordance with State statute and regulation so as to protect ground water quality and to ensure the continuing viability of this means of wastewater management.

Agriculture

- Develop agricultural retention and farmland preservation plans to help maintain the rural character of the Township.

Conclusion

The Township must provide the information addressed within this letter in order for the Office of Smart Growth and our state agency partners to recommend your plan as consistent with the goals, policies and strategies of the State Plan. We will work with you to revise the petition to include the items identified within this letter and to help the Township achieve Initial Plan Endorsement. Staff from the Office of Smart Growth will reach out to you to schedule a meeting in the near future to discuss the next steps.

Thank you again for your commitment to the Plan Endorsement process. If you have any questions or concerns, please feel free to contact myself or Jung Kim, Area Planner for Cape May County, at (609)-633-6139 or via email at jkim@dca.state.nj.us.

Sincerely,

Eileen Swan
Executive Director

ES:jk

c: John Murphy, Deputy Mayor, Dennis Township
Larry Stevens, Planning Board Chair, Dennis Township
Andrew Previti, Municipal Engineer, Dennis Township
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